GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:315
ANSWERED ON:22.02.2001
INVESTORS EDUCATION AND PROTECTION FUND
DR. KIRIT SOMAIYA;JAYASHREE BANERJEE

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government have finalised the procedure regarding Investors protection Fund;

(b) if so, the details thereof;

(c) the terms and reference thereof; and

(d) the manner in which it is likely to help and safeguard the interest of the investors?

Answer

THE MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITLEY)

(a),(b) & (c): The Central Government has decided that the Investors Education and Protection Fund referred to in Section 205C of the Companies Act, 1956 is a statutory fund required to be maintained in Consolidated Fund of India/Public Accounts of India and should be maintained in accordance with the provisions contained in the Constitution and other Laws and Rules made in this behalf.The procedure for receipt/expenditure relating to the Fund is being finalised in consultation with Controller of Accounts/Ministry of Finance (Budget Division)/C&AG of India .

(d) The Committee which will administer the Investors Education and Protection Fund shall recognise from time to time various associations/chambers of commerce/institutes/organisation /persons engaged in activities relating the investor awareness, education and protection who will be provided the funds for conduction direct education programmes; organising seminars, symposiums; conducting specific projects for Investor protection including research activities and providing legal assistance to genuine Investor litigants.